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FM AMEMBASSY LA PAZ
TO RUEHC/SECSTATE WASHDC PRIORITY 0322
INFO RUEHAC/AMEMBASSY ASUNCION 8888
RUEHBO/AMEMBASSY BOGOTA 6263
RUEHBR/AMEMBASSY BRASILIA 0237
RUEHBW/AMEMBASSY BUENOS AIRES 7447
RUEHCV/AMEMBASSY CARACAS 4494
RUEHCP/AMEMBASSY COPENHAGEN 0420
RUEHGJ/AMEMBASSY GEORGETOWN 0939
RUEHPE/AMEMBASSY LIMA 4827
RUEHMN/AMEMBASSY MONTEVIDEO 6195
RUEHPO/AMEMBASSY PARAMARIBO 0589
RUEHQH/AMEMBASSY QUITO 7109
RUEHSG/AMEMBASSY SANTIAGO 1877
RHEFDIA/DIA WASHINGTON DC
RUEAIIA/CIA WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC
RUEHUB/USINT HAVANA 1713
RHMFISS/HQ USSOUTHCOM MIAMI FL
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C O N F I D E N T I A L LA PAZ 000418

SIPDIS

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TAGS: ASEC BL PGOV PREL

SUBJECT: BOLIVIAN VFM: THINGS MAY GET WORSE BEFORE THEY GET BETTER

REF: A. SECSTATE 23685

¶B. LA PAZ 416

Classified By: CDA Krishna Urs for reasons 1.4 (b), (d).

¶1. (C) Summary: In a meeting with Vice Foreign Minister Fernandez, the GOB had no reaction to the Charge's protest regarding the expulsion of Francisco Martinez, President Morales' latest claims of CIA conspiracies, and Minister Rada's accusations that Bolivian Police working for the Embassy are disloyal. The VFM holds no expectations of the purchase of Czech L-159 aircraft or the return of ATPDEA benefits. While indicating the Bolivian government will accept NAS and USAID funds, the VFM also made clear he expects the bilateral relationship will get worse before it gets better. End Summary.

No Reaction to Expulsion Protest

¶2. (C) Per Department demarche instructions, Charge met with Bolivian Vice Foreign Minister Hugo Fernandez (Note: the FM was in Nicaragua) to protest the unjustified and arbitrary expulsion of Second Secretary Francisco Martinez and deliver a diplomatic note (Reftel A). The Charge strongly protested the expulsion, noting that the reasons given for the PNG were false. VFM Fernandez looked at his shoes throughout the demarche but otherwise offered no reaction.

More CIA Charges

¶3. (C) The Charge next expressed concern regarding President Evo Morales' public remarks over the weekend alleging than an unnamed Bolivian military member had direct contacts with CIA operatives. The Charge also expressed concern with Minister of Government Alfredo Rada's recent accusations that the Embassy's guard force (which are Bolivian National Police) act as "officers of the Embassy,"

supply intelligence information to the Mission, and are not loyal to Bolivia. The Charge noted that these are signs that do bode poorly for the bilateral relationship. VFM Fernandez responded that there police officers at the Embassy have not been rotated out like they should. The Charge questioned why our Mission is being singled out when it is standard practice among the embassy community and even Minister Rada and the President have security teams which have not rotated out as per police procedure. VFM Fernandez relented, saying he could understand that "you consider Rada's remarks an aggression." The Charge reminded the VFM of the Bolivian government's obligation to provide security under the Vienna convention.

The Bolivians Don't Expect Aircraft or ATPDEA

¶4. (C) Regarding the potential sale of Czech L-159 aircraft the Charge noted that he had met with the MOD earlier in the day but that we have yet to receive a formal request from the government of Bolivia that the USG authorize the sale (Reftel B). The Charge explained once more that we reject the expulsions of Ambassador Goldberg, the Peace Corp, the DEA, and now Francisco Martinez and that given the current political situation it would be a difficult decision. VFM Fernandez replied that he thought the aircraft sale would be very difficult, like so many other obstacles in the relationship. He added that he "couldn't foresee the return of ATPDEA."

Things Are Going to Get Worse

¶5. (C) The Charge mentioned that Congressman Elliott Engel would be seeking a meeting with President Morales at the Summit of the Americas and that a formal request would be delivered to the Bolivian embassy in D.C. At that point Fernandez became animated and said "I'm very skeptical of both Senator Lugar and Congressman Engel. They are but just two individuals. I understand you don't like our rhetoric but really, Bolivia doesn't represent a problem for the USA. When Engel tells us to behave and that this is our last chance, he is wrong. That is not to our liking and we will not go back to the past type of relationship. We are not going to ask forgiveness for our behavior. We are just fine without having ambassadors, even better. President Morales tells me he has always been anti-imperialist and that he is not going to change his behavior. Morales says we have been waiting for a sign from the U.S. and there has been none. Engel offering to broker the relationship is not the right sign."

¶6. (C) Fernandez went on to say that "things are deteriorated and the prognosis is that they will deteriorate even more. How I see this is that things are going to get much worse. To just what point I'm not sure." Fernandez mentioned that the GOB was still waiting for a reply to the Bolivian seven point proposal (first proposed July 2008). The Charge noted that the Assistant Secretary had replied that once there is a change in the tone from the Bolivians we would be able to sit down to discuss their proposal.

But We'll Take Your Money

¶7. (C) The Charge moved on to mention the pending LOA with the NAS, and VFM Fernandez promised it would be signed in the next few days. The VFM also promised to help USAID get a meeting with new Minister of Planning Noel Aguirre. Fernandez mentioned that Minister Rada was sitting on some visa applications (Septel) and that he would put a call into the minister. The meeting ended with the VFM saying "this is very complicated on both our parts."

COMMENT

¶8. (C) Comment: The VFM words should be taken at face value: the relationship is going to get worse before it gets better. We are to the point that even more moderate interlocutors such as Fernandez offer no pretense of apologies for their government's actions. It is difficult to discern any real desire on the part of the GOB to improve ties. End Comment.

URS